



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

### **2001 Senate Bill 246**

### **Senate Amendment 1**

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**Contact:** Robert J. Conlin, Senior Staff Attorney (266-2298)

Generally, under *current law*, for Wisconsin income tax purposes, state law makes reference to the Internal Revenue Code. Typically, every biennium Wisconsin statutes relating to the income tax are updated to provide a more current reference to the Internal Revenue Code (IRC), as affected by recent federal legislation. However, under current law, certain provisions of the Wisconsin income tax law relating to amortization and depreciation expense deductions provide for an automatic update to the IRC in effect in the taxable year for which the taxpayer's tax return is filed.

*2001 Senate Bill 246* provides the general biennial update by incorporating, by reference, changes to the IRC contained in Public Law (P.L.) 106-200, P.L. 106-230, P.L. 106-573, and P.L. 106-554, excluding sections of P.L. 106-554, relating to environmental remediation costs and corporate donations to computer technology.

*Senate Amendment 1* deletes the automatic update provisions of current law relating to amortization and depreciation deductions and replaces it with a reference to the IRC as amended to December 31, 2000.

Senate Amendment 1 was adopted by the Senate on November 6, 2001 on a vote of Ayes, 19; Noes, 14. The bill, as amended, passed the Senate on a vote of Ayes, 22, Noes, 11, on the same date.

RJC:rv;tlu